

CO-OPERATIVE

REVIEW



A publication for community based and worker based co-operatives in Victoria no.4

OFFICIAL OPENING OF GOLDFIELDS CO-OPERATIVE RADIO STATION 3CCC!!

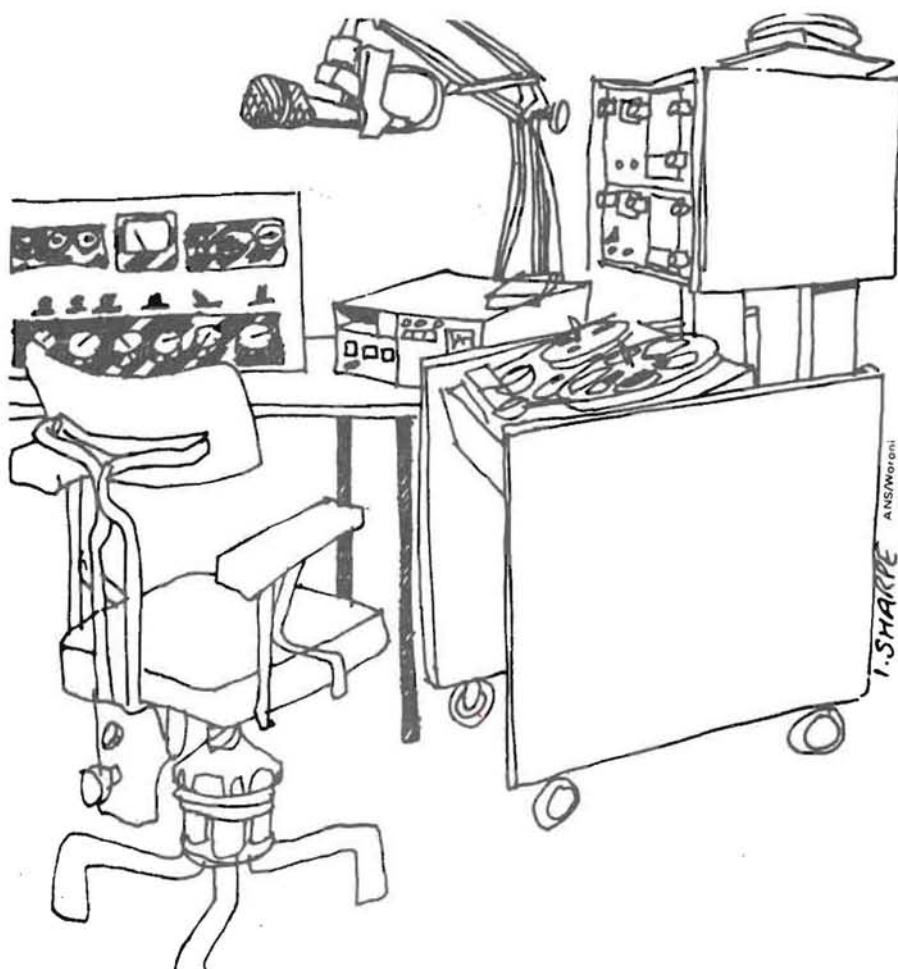
There's a new sound in the Northeastern Goldfields region!!

On Sunday, 25th July 1982, the Premier of Victoria, Mr John Cain, officially opened the Radio Station 3CCC, set up in the former railway station at Harcourt. A large crowd was present, including the Minister of Employment and Training, Mr Jim Simmonds, the Mayor of Bendigo, Mr Chris Schultz and many local community leaders and friends, and members of the Co-operative.

Manager Jeff Langdon formally received a cheque from Minister Simmonds as part of funding under the Victorian Government's Employment Co-operative Development Program.

The Premier Mr Cain paid tribute to the hard work put in by Jeff, his Board of Directors, and the staff in developing the Co-operative to its present stage of high productive operation. Mr Cain also expressed his support, and that of the Victorian Government for co-operatives as a way of life and business.

We all extend our very best wishes for continued, successful, development for Goldfields 3CCC.



PHOTODISPLAY

— by Wendy Smith

This month the Co-operative Education and Training Unit has employed Evan Clarke, a photographer, to take photographs of the co-operatives funded under the Co-operative Development Program. The purpose of the project is to develop a display about the co-operatives which can be used by the co-op for marketing purposes. The display will remain the property of the Education and Training Unit but will be available to co-ops for loan. However, photos of individual co-ops will only be loaned out with the

express permission of the co-ops concerned.

As well as the three photos of each co-op which the Education and Training Unit will chose from the proofs, each co-op can choose 3 photos that they want enlarged for their own uses. We hope that your co-operative will find this resource useful and we hope to hear of other ideas for future resource projects.

PORTLAND EXHIBITION

— by Chris Reidy, Brunswick Work Co-operative.

During the fortnight June 26 to July 10, the Brunswick Work Co-operative, in conjunction with the Portland Arts Officer, Anne O'Kane, held an exhibition of screen printed posters at the Portland Arts Centre.

In addition to posters produced at the co-op, there were works from Tin Sheds in Sydney, Megalo Screenprinting Collective in Canberra, Backyard Press in Melbourne, and from Toni Robertson who is now working in Canberra.

Portland may seem a long way for Melbourne based poster makers to travel to for an exhibition, but in the long run the problems of distance were outweighed by the success of the show and the weekend screenprinting workshop.

It was Brunswick's first attempt to bring together a collection of their own and other people's work for a gallery showing. We had been involved in group shows at the R.M.I.T., Melbourne University and the Bitumen River Gallery in Canberra, but were interested in organising a show ourselves. We hoped to present the posters in a way which we thought best suited them, and also to learn the finer details of exhibition organisation so that, if the opportunity arises, we will be able to easily repeat the experience in Melbourne, our home town and our main outlet for the political posters we regularly design and produce.

Portland is, although in the grips of an economic recession, the multi-national Alcoa and the live sheep crisis, a lively and independent town. It has, amongst other public resources, an Arts Centre, comprising a theatre, a gallery and some class space. Anne O'Kane is employed full time to encourage community involvement in the arts. Part of her job is to occasionally bring to the gallery and theatre artists and performers from outside Portland — we were preceded by Circus Oz. Anne had seen some of our posters (we made one for the local FM radio station), and, due to the fact that she and others are trying to set up a screenprinting workshop in Portland, thought that it would be a good idea to have an exhibition of recent poster work.

The Arts Centre guaranteed the exhibition and workshops against loss, which was very nice and out of the ordinary, and gave us a free hand as to what we would put on show. There are some great posters being produced in Australia, and it was not hard to fill the gallery. The posters are mainly political, concerned with the nuclear issue, sexism, war and the environment, and although I was initially pessimistic about how Portland people would react (cultural chauvinism on my part!), those who came to see the show or who saw it by accident when attending the theatre, liked it and appreciated the skills and issues involved. Also, they bought! The real advantage of poster exhibitions is that prices are low, ours ranged from \$3 to \$12, so that people can afford to buy what is on show. It pleases me to know that a lot of our posters are now on the walls of homes in Portland.

In fact, as an exercise in group gratification, exhibitions can't be beaten. I really enjoyed the three weekends I spent down there as a visiting poster maker, talking to interested people and running the workshops. The countryside is also beautiful, an inspiration to any print

maker, and the fact that a screenprinting workshop will be established in Portland partly as a result of our visit, is to me a great thing. I look forward to the chance to do some more work there.

VICTORIAN MINISTERS PROMOTE CO-OPS AT LOCH ARD GALLERY OPENING

The 8th through the 11th of July saw the Loch Ard Trading Co-operative in Warrnambool playing host to the Minister of Employment and Training, and the Minister for the Arts, both of whom were on hand for the grand opening of the new Loch Ard Art Gallery.

Mr. Jim Simmonds, Minister of Employment and Training, was in the South West on a, in his words, "Look, learn and listen" mission, with an eye towards more clearly examining job-creation schemes as a possible solution to the area's acute unemployment problems. Although Mr. Simmonds would not comment on funds for such schemes, he did say that he "was optimistic and pleased" with what he'd seen, and that he had been given several proposals for job-creation schemes that he would take back to Melbourne. When he arrived in Warrnambool for the Loch Ard opening, he was given a civic reception by the Mayor of the town. Mr. Simmonds said his government would be adopting an approach to employment and training which has a capacity to create jobs. The Loch Ard Trading Co-operative itself has benefited from the Government's Co-operative Development Programme, which offers funding over a period of time to co-operative groups working to become viable small businesses.

Saturday the 10th of July saw Mr. Race Mathews, Minister for the Arts and Minister for Police and Emergency Services, addressing a seminar on Work Co-operatives at the Loch Ard Art Gallery. The enthusiasm of this man, who feels the (Work) Co-operative Movement "is one of the most encouraging things this world has going for it..." is very infectious and catching. Mr. Mathews said that Co-operatives could become a third element in the economy, "incomparably superior to its two competitors — and with the potential to run them into the ground," and "The ideals of the Co-operative Movement are precisely the same ideals from which the Labour Movement began."

Mr. Mathews expressed the view that governments must be prepared to promote Work Co-operatives, and to provide essential training in management skills. "Most of the failures (of co-operatives) can be traced to lack of management skills, rather than any other single factor". He said a government backed Co-operatives Bank was also essential, and that he would like to see a Co-operative

Development Agency formed, with a rotating fund of 5 to 10 million dollars. The Minister stated that the State Government already had in train amendments to co-operative legislation, that would facilitate an expansion of (co-operative) businesses. "As far as Work Co-operatives in this country are concerned, we are very much at the beginning of the road".

OPEN CHANNEL

— by Andrea Philips, production manager

Open Channel is a community based co-operative with four main objectives:

- i) Acquire a Public Television Licence in Melbourne
- ii) To provide an environment that will stimulate innovative and socially relevant television program production
- iii) To provide an adequate video resource for videomakers, filmmakers, artists and community organisations in Melbourne
- iv) To minimise the Co-operative's reliance on government funding.

After some 7 years operation with a shareholder membership of now about 80 people we are refining and defining our ideals and organisational mechanism.

Of high priority, at the current time, is developing real avenues of participation for our membership. Obviously the production of videotapes is one, but, as I see it, the implications of the co-operatives policy and its implementation should rate as an area for major input from the shareholders. We need to develop more effective avenues of communication between the members, the staff and the board of Open Channel.

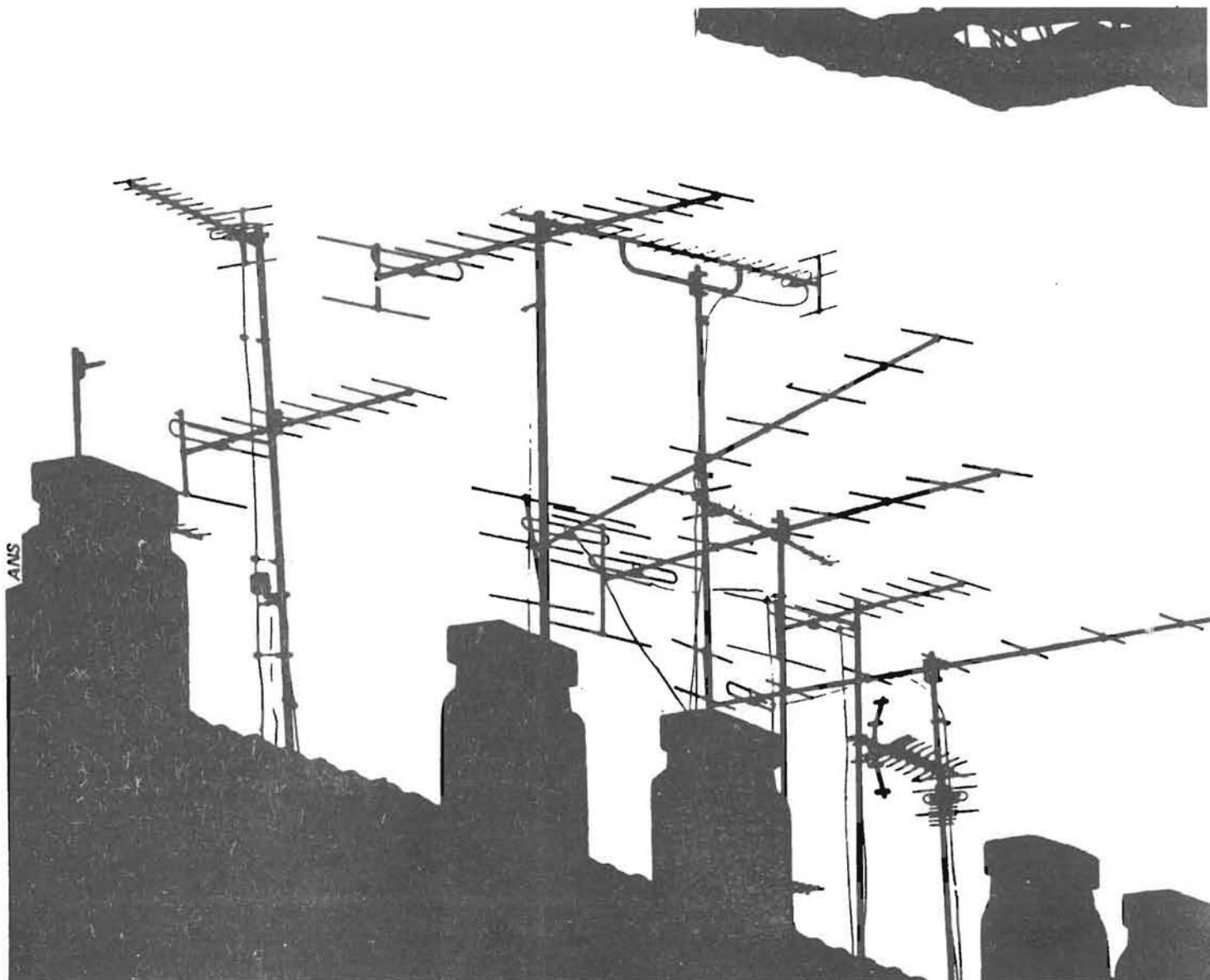
Our training workshop program is currently being re-vamped with an emphasis on pre-production, research, scripting and creative use of video.

With an average of 500 people per annum taking part in training workshops it's a major initiative, and we must measure the returns.

We need to reap the benefits in terms of programs produced, and crew trained, to achieve this we are becoming more selective in who these courses are offered to.

A recent study conducted by one of our members (on contract) lists courses in film and television production in Melbourne (some in Sydney) and will be used to direct enquirers to a suitable training program. It also provided valuable information to design our own training program.

In February this year we compiled nine hours of independently produced material that went on air in Sydney and Melbourne on Channel 0/28. The res-



ponse from the viewers was staggering (over 2,000 phone calls). It demonstrated a real interest and need for a service.

A national "Public Broadcasters Week" is in the 'air' planned for the first week of December 1982. We hope for more air-time to display some of our new product. For example:

"Classroom Sizes", sponsored by National Education Campaign (coalition of Teacher and Parent Bodies) co-produced by Open Channel it looks at teacher/student ratios, the limitations caused by housing, special need, and the changing face of education today.

"Time of Your Life" a pilot program for older people addressing the issues of our aging population.

New television services are a newsworthy issue these days, and we are closely following developments in the proposed cable and satellite services.

A recent appointment is a marketing manager in our commercial arm, OCP Ltd, whose role it is to generate commercial work for the co-operative's broadcast video facilities. OCP specialise in the production of corporate training tapes, presenters, documentaries, TV commercials and programs. Their next

cab off the rank is a pilot for an international cooking show presented by Al Grasby.

We are about to interview for an administrator/manager after the recent departure of long standing (sitting) co-op worker Judi Stack.

It's an exciting time for Open Channel at the moment, with the success of the broadcasts and a possible second bout in the same year energy levels are high. The only thing we really need now is a licence!

MINISTERIAL MEETING

Tony Gill, from the Ballarat Employment Co-operative was part of a Co-operative Federation deputation to meet the Minister for Employment and Training.

The Minister indicated that he had found the meeting useful and informative. He stressed the importance of continual consultation between the Ministry and Co-operatives for the future development of the Program. The sugges-

tion of the possible introduction of loans to co-operatives as an alternative to, or in addition to, grants was cited as an area in which co-operatives' views would be welcomed. The Minister also invited co-operatives and the Co-operative Federation to participate with ideas for the development of the Program as regards the conversion of existing businesses into co-operatives and other proposals for industrial democracy.

The Co-operative Federation of Victoria was thanked for their continued support in developing and maintaining the Program. If your co-operative wishes to take action on the above points, either do so directly or contact Mr Bill Rawlinson, Executive Officer of the Co-operative Federation.

WORK CO-OPERATIVES IN NEW ZEALAND

— by Toni McWhinnie, Advisory Officer, Alternative Employment Program, Department of Internal Affairs, New Zealand.

The Co-operative Education and Training Unit has been corresponding with Toni McWhinnie for the purposes of information exchange on co-operative initiatives in both countries. Toni was asked what access to non-traditional finance was available to work co-operatives and this is the article received.

The last decade has seen a substantial growth in the number of co-operatives operating in New Zealand. Early co-ops were almost exclusively work co-ops selling their labour only, whose members were often Maori and Polynesian. Today the co-operative movement has a much wider product range but still only comprises a tiny number of the small businesses in this country. Co-ops are supported and funded by a number of different government and non-government agencies in most cases not because they are co-ops but because for other reasons they meet the requirements of specific policies and schemes.

Assistance Available for Co-operatives from the Department of Internal Affairs
The Alternative Employment Programmes Section of the department administers two programmes, SCOPE and the Work Development Scheme, that provide advice and financial assistance for co-ops which provide employment and training opportunities for people who have difficulty finding work. The section has a staff of eight, six operating out in the field, who provide advisory and support services.

Small Co-operative Enterprises Scheme (SCOPE). SCOPE was established to encourage the development of small co-operative business ventures for those people who are having difficulty finding suitable employment. It got underway in late 1980 with a budget of \$200,000 which was expanded to \$300,000 the following year. The expansion of SCOPE gave recognition to the needs of pre-commercial groups and acknowledged that the transition of groups of unskilled, unemployed people into commercially viable, independent business ventures, takes more time, support and skill training than was originally envisaged.

SCOPE assists groups by helping to locate skilled local people who are willing to pass their skills on to people and by providing grants and loans for setting up or initial running costs, purchase of plant and equipment, publicity costs and feasibility studies. Finance is not available for wages or salaries unless they are

for short specific terms, e.g. for skills that are required by a group at a particular stage of development. The majority of financial assistance from SCOPE is by way of loans.

A brief evaluation of SCOPE made 18 months after it had commenced revealed that the average sum allocated per group was \$6,177. Of the 54 groups assisted 26 were labour contractors, 12 were involved in small manufacturing businesses (clothing, wooden products etc), 5 in farming/horticulture/seaweed harvesting, 4 in providing marketing and other resources for co-ops, 4 in arts ventures (music/theatre/film) and 3 in food retailing.

Work Development Scheme. The Work Development Scheme aims to improve the skills and employment opportunities of young people who for a variety of reasons have difficulty finding work and need long-term personal help. The scheme gives advice, support and finance to selected community based work-development projects. Finance is available in the form of grants for co-ordinators' salaries and for some operating costs. Although the scheme does not directly assist co-operatives, it is envisaged that a number of the work development projects that are supported will act as "parent" bodies for new co-ops, some of whom will be assisted through SCOPE. The scheme was established last year and 5 projects have been assisted to date.

Several other schemes administered by the department can provide assistance for co-ops if the project being funded has a charitable purpose, rather than making profits for its members, and meets the specific requirements of the scheme. These are the Youth Initiatives Fund, the Youth Services Distribution Committee of the New Zealand Lottery Board and the Community Development Fund (which also received its funds from the Lottery Board).

Assistance Available to Co-ops from Other Government Departments - The Department of Labour can provide grants for salaries of co-op members through its Project Employment Programme. The Contract Work Scheme which is part of this programme is the most appropriate to co-ops. The department also provides salary subsidies or suspensory loans for additional jobs created in the private sector. In addition the Community Employment Initiatives Fund (CEIF) provides grants to community based organisations who have constructive proposals for employment and job creation, and if a co-op has a wide enough community base it may qualify for assistance.

The Department of Maori Affairs can assist co-ops of predominantly Maori

people through its programmes such as the Marae Enterprises Scheme which aim to encourage the commercial initiatives and success of Maori people. It provides loan finance for the purchase of land, horticultural development and the setting up of businesses. It also runs courses for Maori people wishing to set up businesses.

The Department of Trade and Industry has provided assistance for co-ops from its regional developments funds. It also provides advisory services for groups setting up waste-recycling ventures.

The Small Business Agency (SBA) is part of the Development Finance Corporation and provides a consultancy service for small businesses, including co-ops.

Other Assistance Available to Co-ops
The Community Enterprise Loans Trust (CELT) is an incorporated charitable trust which was formed in 1979 and consists of groups of co-ops and individuals who want to help co-ops. CELT offers advice and assistance on how to set up and run co-ops and has a very limited amount of finance available for groups, which it lends to them from the deposits some members and other interested persons make with the Trust.

The YMCA Community Enterprise Society Ltd (YCE) is another non-governmental body which offers skills and services to co-ops such as assistance with marketing and selling products.

As well as these two groups, which operate on a national level, there are a number of local agencies and community groups which have set themselves up to provide support and assistance for co-operatives which create employment opportunities. In several areas continuing education groups have provided support for co-ops in their initial stages. In the South Island the Christchurch City Council has established an Employment Promotions Office which provides a business consultancy service for groups wishing to explore new ideas or requiring business advice and in nearby Ashburton the community has established an Enterprise Board to support and encourage employment initiatives.

In Auckland, the Co-operative Workers Trust acts as a supporting umbrella agency for several small co-ops, as well as providing a general support service for co-ops in the Auckland area. The Department of Internal Affairs funds one field worker in Auckland in addition to its own staff who acts as a resource person for co-ops in that region.

Legal Structures

As there is no specific piece of legislation in New Zealand that establishes co-operatives, they incorporate under a number of different Acts. The structures adopted

by groups whose main aim is making profits for members are:

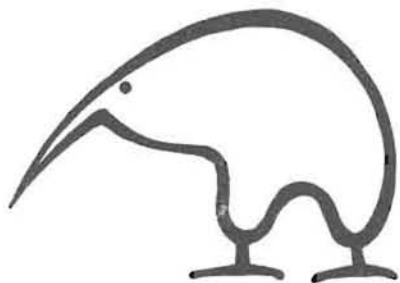
Industrial and Provident Society:- This structure has growing popularity with co-ops. The group must be a bone fide co-operative or be for the purpose of improving the conditions of living of members of the working class or other-

wise for the benefit of the community. Unlike a private company, decisions are made on the basis of one person one vote. A Society must have at least 7 members and a major disadvantage is that the value of assets divided among the members must not come to more than \$4,000 per member.

Private Company:- Although a private company can be adapted to meet the requirements of a co-operative by restricting the transfer of shares and individual holdings to workers only, the company structure is unpalatable to some groups because of the emphasis it places on protecting investors.

A number of co-ops whose main aim is charitable, that is for the purposes of education, religion, the relief of poverty or other community benefit, choose to become an Incorporated Charitable Trust or an Incorporated Society. In both cases, although members can be paid for work done, they cannot receive profit from the activities of the organisation.

For many co-ops the transformation from a group of often unskilled and untrained workers to a viable competitive business is a difficult and sometimes impossible task. However, as co-operatives grow in number, so does the recognition from government and other agencies that they do offer employment alternatives for a significant number of New Zealanders.



COUNCIL JOTTINGS

— From W.W. Rawlinson, Executive Officer

THE CO-OPERATIVE FEDERATION OF VICTORIA

At the July meeting of the Council, Tony Gill, your representative on the Council, proposed that it would be helpful for Member Co-operatives to hear something of the discussions and decisions

taken by the Council at its monthly meetings. The Council welcomed this proposals as a useful exercise in member relations, and I now give some notes in the first of what I hope will be a regular report.

COUNCIL VISIT TO WORK CO-OPERATIVE

Before the July meeting, members of the Council of the Federation had a very useful, informative and interesting visit to the Brunswick Work Co-operative (Red Letter Printing) to meet members there and to see for themselves some of the activities and operations of this co-operative. It was followed by having a meal with some members of the Brunswick Work Co-operative.

It is hoped this sort of visit will continue as part of the learning exercise for both Councillors and member co-operatives.

COUNCIL REPRESENTATION

As you know, Tony Gill was nominated by Work Co-operatives to represent them on the Council. It is not always possible for Tony to attend all meetings, and arrangements have been made for Andrea Philips of Open Channel to attend meetings of the Council when Tony is unable to be present. Andrea is not an elected member of the Council. She will attend as an observer; but this will ensure the views of Employment Co-operatives are heard in the Council and Council decisions can be relayed back to meetings of your group.

NEW MEMBER

The Council welcomed into membership of the Federation the Brunswick Italo-Australian Employment Co-operative Limited.

The Council received a copy of the statement made by the Minister for Employment and Training, Mr Jim Simmonds, to the State Parliament listing the 19 groups participating in the State Government's Employment Co-operative Development Program.

FINANCIAL

The Council also received the accounts for the year ending 30th June 1982 covering subscribing members of the Co-operative Development Program of the Federation. These have been submitted to the auditors and will be available at the Annual General Meeting.

LEGISLATION

The Council was also advised that the Minister administering the Co-operation Act, Mr Ian Cathie, has set up a Legislative Review Committee to receive proposals for amendments to legislation, including the Co-operation Act 1981.

The Council directed that its Legislation Committee meet to study proposals for required amendments to the Act, and input from Employment Co-operatives has been requested.



CONCLUSION

We hope you will feel free to make submissions to the Council through your representative to ensure matters of co-operative concern are considered. Operational concerns are considered at any time.

ACCOUNTING'S ROLE IN A SMALL BUSINESS CO-OPERATIVE

by Brian Greer

When a number of individual people come together to work co-operatively, there are many aspects of their co-operative association. One is actually physically working together, and another may be the mutual personal support. One aspect is the need for the working members of the co-operative to earn a basic living. The co-operative group needs to have a financial base, from which it can support its working members, and finance its objectives. Thus, while the individuals are clarifying and agreeing on the basic benefits and obligations of their coming together collectively, they need to agree on a course of action which will provide them with a sound financial base. To put this another way - when the members of the co-operative discuss, draw up, and agree on a plan for their future together, one aspect (and only one aspect) of the over-all plan is the business plan. The business plan contains the basic agreement among the individuals in the co-operative on the collective course of action to achieve a satisfactory financial base for its objectives.

Accounting as a Management Tool

Contained within the business plan is a description of how the necessary management functions are going to be fulfilled, whether it be by one person, or a number of people. These management functions are the basic tools for the co-operative to use to successfully implement its business plan objectives, and therefore achieve its financial base. Very briefly, I would describe these as - Overall coordination of decisions - Marketing/sales - Accounting - Production quality and quantity control. The one on which I want to concentrate here is Accounting; but I believe the following comments

reflect an approach which is also relevant to the use of the other management functions.

One of the important parts of the business plan is the financial statements. Budgeted profit and loss. Cash forecasts. Projected balance sheet. These reflect in summary the culmination of the basic financial agreement between the members of the co-operative, expressed in accounting language. These statements provide the communication, and basis to attract the necessary outside funds to the business venture. These budgeted forecasts provide a standard, a 'bench mark', from which management can learn by analysing the differences between projected performance and actual results.

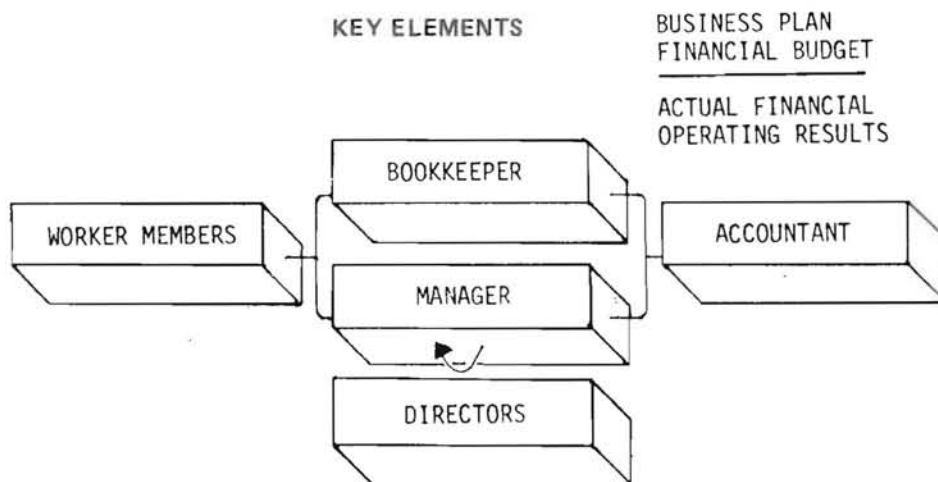
I would like to stress the 'bench mark' idea, because often it is not the size of the difference between actual performance and budgeted performance, but the ability of management to analyze, and know *why* there is such a difference, and then to act where necessary. It is especially important to understand this, where the co-operative has budgeted for the first time, and therefore the projections have obvious limitations. Within limits, it is not so much a question of whether the forecasts turn out to be correct predictions, as the fact that they do give management some gauge/relativity of performance/longer term financial perspective. The quest here is to be more accurate in the next budget, which will be greatly enhanced by accurately kept accounting data from this year.

Therefore, the management tool of accounting can be used to summarize agreed upon future financial directions through budgeting, provide the communication basis to attract the necessary funds for implementation, and provide a means for analysis of actual financial performance, and therefore a basis on which to make good management decisions for the future. What I am describing here, is "management accounting". Small businesses generally keep basic records, which are summarized annually for the purposes of Registries, tax, and so on. However, it is my experience that the vital management aspects of accounting are not commonly used by small businesses, which are an area of economic activity with a high failure rate. This lack of the use of management accounting could, in part, be due to the non-availability of professional expertise for smaller economic units.

Flow of Accounting Information

I would now like to describe the internal pathway, or necessary flow, of accounting information, to allow the management tool of accounting to operate for the best interests of the business. On the diagram, the critical points are-

INTERNAL ACCOUNTING INFORMATION FLOW



- That the bookkeeper records the originating information, as the validity of the eventual analysis and interpretation will depend on the accuracy of the initial recording. The bookkeeper needs a system set up so that the way the data is recorded complements the later stages of the financial reporting.
- At set, regular, times the bookkeeper, the accountant, and the person responsible for providing financial reports to the directors and worker members, come together for that purpose. Hopefully, the accountant will also provide some interpretive advice to assist good financial decision making.
- There needs to be a reporting TO the directors of the financial statements *before* they meet each month, so that directives can come FROM them, to the co-operative's manager or management team. This objective feedback is a critical responsibility of directorship.
- Again, as I have mentioned, the need to refer the actual, financial, operating results to the budget projections, to allow analysis of the current situation, relative to the original, agreed upon, 'bench mark'. The reasons for the differences will, hopefully, provide the basis for good management decisions for future periods.

Aspects of Accounting Particular to Co-operatives

Accounting as a management tool, as I have been describing it so far, has its application to any business. There are, however, some aspects which are particular to a co-operatively run small business. I wish to comment on two. **Directors Responsibilities.**

In the case where the board of directors has a community or mixed community/worker membership, it is vital that the directors fully realize their obligations. Once the accounting statements are forwarded TO the directors by the manager/bookkeeper, it is then necessary for them to analyse the data, feedback queries, and provide advice and directives FROM

themselves to the manager or management team, at the board meeting. The obligations for the directors to direct clearly extends itself to accounting statements, which are a gauge of the success or otherwise of the co-operative's financial base, from which the success of many of its objectives depends.

In the case where the membership of the board of directors is all, or predominantly, worker members, it is imperative that the notion of financial (and all reporting) TO the board of directors, and directives FROM them, is still maintained. The danger being, that unless this internal control mechanism is clearly established and executed, there may be no effective accountability or directives for financial, or other, matters. It may be possible under these circumstances, in addition, to utilise non-board members-advisers, especially to provide a wider perspective, but this does not discharge the legal responsibility of the directors.

Financial Information to Worker Members

Part of the original agreement among the worker members which would be reflected in the financial statements in the business plan, which includes an agreement about financial reward relative to the effort expended... It is vital, I believe, that quickly produced, simply understood financial data be passed to the worker members. In the co-operatively run workplace, with the higher level of involvement by the worker members, I believe it is important to provide a high level of information. For example, the agreed annual targets for sales/production could be broken down to monthly, or weekly, goals. Then the actual levels achieved could be reported, with indicators as to their overall financial implications on the business venture.

What's the Situation in Your Cooperative?

To summarize, accounting is one of several management tools which a co-operative needs to have working in its favour, in order to have effective manage-

ment. Effective management, in turn, is necessary for the success of the objectives set out in the business plan a financial base which will provide the worker members with a basic living, and finance for the other objectives agreed upon in the co-operative's overall plan. How well does your co-operative use accounting as a management tool?

Looking back at the diagram, and what I described as the critical points, does the accounting information *flow* between the necessary people within the co-operative?

In particular, do the board of directors digest the financial statements, and provide the co-operative with directives?

Is your accountant providing you with the service you need?

Do the working members receive accounting information?

When looking at a particular month's financial results, is a comparison seriously made to the business plan?

Does the co-operative need to take steps to educate the bookkeeper, the manager/administrator, the working members and mentors, to understand and use the management accounting function?

Has time been put aside to start to develop next year's plan for the co-operative?

If you would like to talk to me about any of the above, please call...

Brian Greer,

Co-operative Development Adviser

Co-operative Federation of Victoria

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Address: 225 Swanston Street

MELBOURNE 3000

CANADIAN PROJECT PROBES

— Excerpt from the U.S. Dept. of Agriculture's December 1981 Newsletter.

The Canadian Co-operative Future Directions Project is asking cooperators across the country to help develop a vision for the future by responding to eighteen questions or statements of belief.

Co-operative businesses and organisations must keep up with today's rapid technological change, which has been accompanied by increased economic interdependence. The challenge "is to use new technologies in ways that are compatible with the philosophy and values of co-operation and meet the needs and aspirations of co-operators". Demands of the environment and interdependence of co-operative organisations require a new understanding of what co-operatives want — a vision for the future of co-operation in Canada.

Through the Questionnaire, co-operatives are being asked if the statements should be part of the vision, and if they agree or disagree with them.

- The co-operative movement should be made up of people who acknowledge the fact and desirability of interdependence and want to build organisations fostering greater co-operation.
- The co-operative aim should be a society in which all are provided with basic economic needs (food and shelter) and democratic values are learned and lived in everyday life.
- In a society based on co-operative principles and values, there should not be large differences in wealth and income
- There should be no competition between co-operatives in the co-operative system.
- Co-operators should be committed to orderly expansion of the movement through development and assistance to new co-operatives.
- Ownership implies shared financial responsibility. Capital investment by members is important, and should be a significant amount.
- The co-operative sector in Canada should be separate from the State and relate to the government in an active, non-partisan way.
- Co-operatives should attempt to create a society in which men and women are equal.
- Human development should be as much a part of co-operation as economic development.

AROUND THE WORLD.... A CO-OPERATIVE BANK FOR AUSTRALIA

A project is under way in Australia to establish an 'Australian Co-operative Bank', which has been talked about for some time. The Co-operative Federation of New South Wales has already introduced a Central Banking Service for its members. In 1981 at its 16th Annual Conference, resolutions were passed to establish, together with other co-operative associations, a financial facility with the ability to compete in the market in which it operates — operating on co-operative principles. Following this, in May 1981 the Federal Government granted a banking licence.

Prior to undertaking a major feasibility report along with credit unions and building societies and it being taken to the Government, a minor feasibility study was to be conducted. This task was undertaken by Mr. C. Little, partner-in-charge, Management Consulting Division, Deloitte Haskins and Sells and Mr. M. Stroethoff, Assistant Manager

Foreign Department of the D.G. Bank (Federal Republic of Germany). This report was submitted to the Co-operative Federation of Australia in March. The cost of the project (up to the end of March) is anticipated to be \$45,000, which is to be paid by the State Federations, the New South Wales share being \$15,000.

CANADIAN MISSION FUNDS TRADE POTENTIAL WITH EUROPE

A Co-operative Union of Canada trade mission, from 5th to 27th March 1982, visited co-operative organisations in Bulgaria, Denmark, the Federal Republic of Germany, France, Greece, Hungary, Rumania, and Yugoslavia, and met officials to discuss the possibilities of setting up inter-co-operative trade relations between Canada and Europe.

The mission found considerable interest in the purchase of Canadian fish products, forestry products, edible oils or protein meal, and grain — including corn, rye, barley and soya beans. Mr. Siemens, the First Vice President of Co-operative Union of Canada, and Mr. Milne, Deputy Director are to research further into the possibilities of setting up a trading link.

Another Co-operative Union of Canada organised trade mission is scheduled to visit seven South-East Asian countries this summer.

CANADIANS FORM ENERGY CO-OPERATIVE

The Canadian government and an association of 17 Canadian co-operative financial and marketing institutions have signed an agreement for the co-operative to enter into the oil and gas industry.

As a result of the agreement three new organisations are proposed:

- Co-operative Energy Corporation (CEC), a holding company
- Co-operative Exploration and Development Corporation (CEDC), the oil and gas exploration and development arm
- Co-operative Energy Investment Fund (CEIF), a trust fund.

KENYA — NAIROBI INTERNATIONAL SHOW

The Co-operative Movement was represented at the Nairobi International Show by a Co-operative Movement Stand, which was managed by the Under-Secretary in the Ministry of Co-operative Development, and by the Education and Information Section of the Kenya National Federation of Co-operatives. This participation in the show helped to improve public understanding of the achievements which co-operative organisations have made towards Kenya's economic and social development, and was a means of informing the public and co-operators of co-operative successes.

AFRICAN STATES ASKED TO CO-OPERATE

At the opening of a one week seminar organized by African Co-operative Savings and Credit in Nairobi, Mr. Robert Matano, Kenya's Minister for Co-operative Development called upon African Countries to formulate socio-economic policies in order to reduce the amount of foreign aid to their peoples.

Mr. Matano called on African states to co-operate fully in order to speed up their social and economic development. He further noted that African countries were economically weak, but that the spirit of co-operation and collective self-reliance was the best way of ensuring survival among African states.

EEC BACKS YOUTH CO-OPS — 130,000 POUND GRANT TO UNITED KINGDOM

The EEC and the Manpower Services Commission are supporting a project to set up six workers' co-operatives in Hartlepool, one of Britain's worst employment black spots. Over the next year, more than 300,000 will be pumped into the group of six businesses, which will provide 39 jobs. Eurocrats in Brussels hope that the scheme at the Hartlepool Co-operative Enterprise Centre will provide a model on which other European co-operatives can be funded.

They are supporting a decision to give job opportunities at the Centre to unemployed youths with no business experience. Under the scheme, the co-operative workers will learn business techniques and work-sharing under a team of five staff. By next year, it is hoped the six businesses will be able to survive without further grant aid. All business decisions will be taken on a one person, one vote system, with each worker contributing a nominal sum to acquire a stake in the Co-operative.

CALIFORNIA RECEIVES NATIONAL U.S. AWARD FOR CO-OP MONTH

California Co-operative Month Committee for 1981 has been named the National Award winner for outstanding activities by a State during the October Co-operative Month observance, by the Co-operative Month National Planning Committee in Washington, D.C.

California received the award for both the scope and the caliber of its observance. The State Committee coordinated a highly successful media campaign and was instrumental in instituting public events aimed at informing urban and suburban people about co-operatives. The 1981 theme was "Co-operatives — Building a Better America".

CO-OP CRAFTS FOR ARABIA — Excerpt from the CDA News Great Britain, January 1981

An exhibition of hand-crafted British-made gifts was recently staged at the Co-operative Development Agency's offices in London, before moving further afield — to Dubai and Abu Dhabi.

The goods, all based on the theme of falcons and falconry, have been designed and produced by members of Falconcraft, an embryonic trading and marketing co-operative whose products are tailored to appeal in particular to the Middle East market. The initiative for the venture came from the CDA following its involvement in a successful formation of the Northern English Crafts Co-operative. Falconcraft is also receiving help and advice from the Scottish Development Agency, the Crafts Council, and the Institute of Directors.

The Co-operative hopes to register as an Industrial and Provident Society now that its constitution, drawn up by the CDA, has been approved by the Registrar. However, its 26 potential members, each of whom have a £1 share in the business, will become formally eligible to membership of the Co-operative after one of their products has been sold through Falconcraft.

The range of gifts produced by the craftsmen and women includes sculptures in wood, brass, bronze, and other metals; engraved glass, paintings, etching and prints, leather goods, and jewellery. Prices start at £10 for some of the prints, and rise to as much as £980 for some of the sculptures.

The exhibition overseas is being funded by Overseas Impex Finance Limited, a private company.



MONASH BOOK CO-OPERATIVE

by Clive Rosewarne

The Monash Co-operative Bookshop was established in 1976, due to the initiative of students at Monash who were dissatisfied with the campus retail book and stationery facility. It currently has a membership of over 5,000 shareholders and a turnover of approximately a quarter million dollars.

One of the prime concerns of students at the time the Co-operative was established was that the campus Bookshop, owned and operated by the University Council, did not adequately meet the demands of its customers. Over pricing and under stocking of textbooks was the main complaint levelled at the Monash Bookshop. Students trying to influence policy changes for the Bookshop found that they had no control over its policies. These factors lead students to mount a campaign to open an outlet of their own. Working through the Students Association, on campus clubs and with sympathetic staff members, after some delays the Co-operative Bookshop was established. Initially it only dealt in Second-hand Books, but it soon expanded and stocked stationery. However continual attempts to stock new books have been frustrated, both by major wholesale book sellers refusing to open accounts with the Co-operative and by the University Administration attempting to block the Co-operative trading in opposition to their Bookshop.

The Co-operative Bookshop had little difficulty in establishing a market, as the political climate that it was set up in assured it early support. As the years have progressed and early organisational problems have been overcome, the pricing policies and responsiveness to student needs have gained it greater consumer support.

Between Annual General Meetings, policy decisions are made at Directors Meetings which are held regularly during the year. Currently of the five Directors of the Co-operative four are enrolled students and the fifth is an ex-student who was involved in the initial founding of the Co-operative. The shop employs one part-time manager and fourteen shop workers, who work varying numbers of hours depending on their income needs and availability. All shop workers have to be members of the Co-operative and be currently enrolled Monash students.

This organisational structure and decision making process is another reason why the Co-operative has credibility and is supported by its customers, who are primarily Monash students.

MARKETING: THE IMPORTANCE OF MERCHANDISING & POINT-OF-SALE

— by Rob Wentworth-Shields, of Purchase Point

Taken from Rydge's In Marketing, May 1982

Sales promotion was born in the hardest of years — the great depression of the 1900s. Many of today's largest and most successful companies and multinationals established themselves during that period, with carefully examined sales promotion which was communicated with such accuracy through correct merchandising that not only did these companies achieve huge profits, they established their products and services in almost unbeatable positions as market leaders.

Many learned financial people believe that Australia is heading through the bottom end of recession into full depression. Things are tough. In hard times, the wise marketing person allocates money to where it will achieve the best results possible, and hopefully, where these results can be audited. Astute marketing people today, whether they're involved in actual marketing, public relations works, advertising, or sales promotion, agree that dollar-for-dollar, sales promotion — merchandising — has a firmly established and important role. And when the prospective consumer arrives at the purchase point, or point-of-sale, it is the presentation of the merchandising material itself that is most often the clincher in sales.

Merchandising helps to tip the decision factor in favour of that business which has the best designed and presented merchandising materials, and who has ensured that these are correctly positioned for maximum attraction. This factor is particularly true in retail circumstances, where no salesperson is on the spot to sell to the prospective purchaser. Merchandising is comparatively inexpensive and can be created, manufactured, distributed and installed quickly and easily. Provided it is well designed, it will communicate constantly and tellingly, for long periods of time, directly to a company's exact marketing target. From a retailer's point of view, merchandising can be invaluable, not only being basically responsible for high volume sales to "captive" shoppers, but also as a drawing card to help create traffic.

Merchandising can transform an otherwise drab and sterile atmosphere into a colourful and alive venue, with a feeling of very positive life at work — the perfect atmosphere for sales and profit. In the current hard times, merchandising must be looked at with increased creative interest and intelligence. Merchandising is the final communication vehicle in the consumer's purchase decision.



CO-OP WORKERS ASSOCIATION

WHO

All co-op members, workers, directors and managers of the Co-operative Development Programme/Co-operative Workers Association.

WHEN

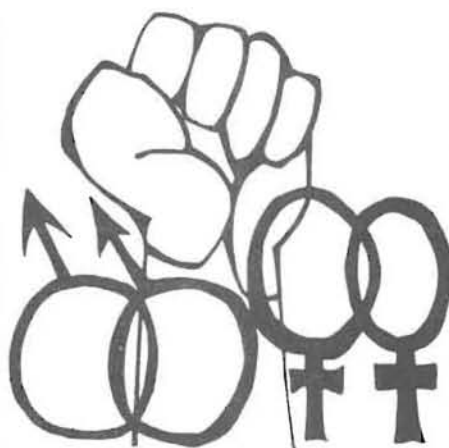
22nd August, 1982 at 10.30am

WHERE

OPEN CHANNEL

13-43 Victoria Street, Fitzroy.

All inquiries and/or agenda suggestions should be directed to Joey Sarlin at the Co-operative Federation of Victoria.



Correct Line Graphics Co-operative and Sybylla Co-operative Press have moved premises.

Both co-operatives are now located at 193 Smith Street, Fitzroy 3065. Correct Line Graphics: Ph 417 1766 or 417 1518
Sybylla Press: Ph 417 1388

CO-OPERATIVE EDUCATION AND TRAINING PLANNING GROUP meetings, 1982 timetable:

Time: 4.00pm — 6pm

Place: Vocational Orientation Centre
42 Cardigan Street
Carlton

Dates: August 24,
September 21,
October 19
November 16
December 14

BALLARAT EMPLOYMENT CO-OPERATIVE
Shed 6, Industrial Court, Delacombe, Ballarat 3350.
Mailing address: PO Box 691, Ballarat 3350.
Contact: Tony Gill.
Telephone: (053) 35 6595
Business Activities: Tree-planting, landscaping, agricultural services.
66 Shareholders and 4 Workers.

HODJA EDUCATIONAL RESOURCES CO-OPERATIVE, 123 Church Street, Richmond, 3121.
Contact: Ron Harper, Project Officer.
Telephone: (03) 428 1411
Business Activities: Multicultural and multi-lingual publishing.
36 Shareholders and 3.8 Workers.

LOCH ARD TRADING CO-OPERATIVE
56 Liebig Street, Warrnambool 3280.
Mailing Address: PO Box 593, Warrnambool 3280
Contact: Paul Martin, Manager
Telephone: (055) 62 6388
Business Activities: Craft shop and product distribution. Recycling centre.
275 Shareholders and 4 Workers.

MANDURAH HEALTH FOOD SHOP
Johnstone's Court, Terang 3264.
Contact: Debbie Windon
Telephone (055) 92 1745
Business Activities: Health Food Shop
(?) Shareholders and 4 Workers

BOOSTRAP TRADING CO-OPERATIVE
Burgin Place, Maryborough 3465
Mailing Address: PO Box 165, Maryborough 3465
Contact: Terry White, Manager
Telephone (054) 61 2050
Business Activities: Chamois and Split-Suede clothing and accessories. Contracted Sheepskin products
50 Shareholders and 4 Workers

OPEN CHANNEL
13-43 Victoria Street, Fitzroy 3065
Contact: Andrea Philipp, Production Manager
Telephone: (03) 419 5111
Business Activities: Television production, training facilities for hire. Public television operator applicant.
200 Shareholders and 15 Workers

PUBLIC IMAGES
c/o Community Outreach Centre, 3 Freyer Street, North Williamstown 3016.
Contact: Steven Kingshott, Hugh Anderson
Telephone: (03) 397 7349
Business Activities: The painting of Murals
(?) Shareholders and 4 Workers.

ITALO-AUSTRALIAN EMPLOYMENT CO-OPERATIVE, 207 Weston Street, Brunswick, 3057.
Contact: Jim Asker, Stephan Depieri
Telephone: (03) 387 1973
Business Activities: Osteria, Eating House.
(?) Shareholders and 5 Workers

BRUNSWICK WORK CO-OPERATIVE, Red Letter, 173 Albion Street, Brunswick 3056
Contact: Chris Reidy, Maura Kidney
Telephone: (03) 383 3087
Business Activities: Silkscreen and Offset printing
80 Shareholders and 6 Workers

CORRECT LINE GRAPHICS
193 Smith Street, Fitzroy 3065
Contact: Roger Halley, Graham Willet, Sheril Berkovitch, Adam Carr
Telephone: 417 1766/417 1518
Business Activities: Typesetting and Graphic service
17 Shareholders and 8 Workers

GOLDFIELDS COMMUNITY RADIO CO-OPERATIVE, Station Street, Harcourt 3453
Contact: Jeff Langdon
Telephone: (054) 74 2511
Business Activities: Public radion station
98 Shareholders and 3 Workers

FRANKSTON MOTOR CYCLE PARK CO-OPERATIVE, c/o 31-33 Davey Street, Frankston 3199
Contact: Ron Hudson
Telephone: (03) 781 3555 Ext 296
Business Activities: Motor cycle park, cycle repairs and kiosk.
(?) Shareholders and 3 Workers

SYBYLLA CO-OPERATIVE PRESS LTD
193 Smith Street, Fitzroy 3065
Contact: Jenny Lord
Telephone: 417 1388
Business Activities: Printing and Publishing

WANDERFOOD CO-OPERATIVE
c/o 236 High Street, Northcote
Contact: Patsy Morrison
Telephone: 531 6006
Business Activities: Mobile health-food service
(?) Shareholders and 8 Workers

COLLINGWOOD CO-OPERATIVE OVER-SEEING COMMITTEE, 36-44 Cambridge St, Collingwood 3066.
Contact: Pauline Marshall
Telephone: (03) 417 1093
Business Activities: 2nd hand furniture retail business and Theatre Troupe

SHEPPARTON DISABLED WORKERS GROUP, 16 Gowrie Street, Shepparton, Vic.
Contact: Leo Wigney
Telephone: (058) 21 8374

ESSENDON JOB GENERATION GROUP
c/o Essendon City Council, Essendon Civic Centre, Corners Kellaway Ave & Pasco Vale Road, Moonee Ponds 3040
Mailing Address: PO Box 126, City of Essendon Moonee Ponds 3040
Contact: Terry Maher, Deputy Town Clerk
Telephone: (03) 370 2111
Business Activities: Metal Press related activities

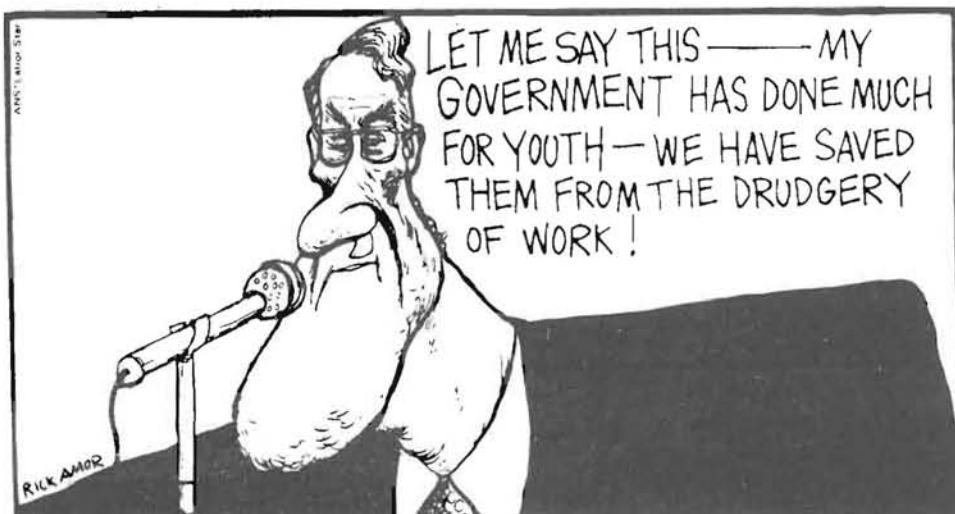
MULTI PURPOSE COMMUNITY EMPLOYMENT CO-OPERATIVE, c/o 7 Selwyn Street, Elsternwick 3185
Contact: Leslie Feiglin
Telephone: (03) 51 1511
Business Activities: Building, Engineering, and domestic services

TURKISH WOMEN'S ASSOCIATION CO-OPERATIVE, c/o Turkish Women's Association 575 Elizabeth Street, Melbourne 3000
Contact: Muesser Durer
Telephone: (03) 328 2421
Business Activities: Handicrafts and Turkish carpets

CONTRIBUTIONS WANTED

Has your co-operative submitted material to a recent edition of the *Co-operative Review*? We seek involvement from co-operatives and hope to publish your material or pursue areas you express interest in.

Please do phone Karina, Tony or Wendy at the VOC (347 7611 ext 256) with ideas or material for future editions.



Co-operative Development Program

Organisational Relationships 1982-1983

